

Message Text

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PAGE 01 PANAMA 02334 221843Z

64

ACTION ARA-10

INFO OCT-01 EUR-12 EA-06 NEA-09 ISO-00 EB-07 SAB-01

CIAE-00 DODE-00 PM-03 H-02 INR-07 L-02 NSAE-00 NSC-05

PA-01 PRS-01 SP-02 SS-15 USIA-06 AGR-05 STR-04 OMB-01

TRSE-00 COME-00 /100 W

----- 123618

R 221743Z APR 75

FM AMEMBASSY PANAMA

TO SECSTATE WASHDC 3672

INFO AMEMBASSY ALGIERS

AMEMBASSY BELGRADE

AMEMBASSY BOGOTA

AMEMBASSY SAN JOSE

AMEMBASSY TEGUCIGALPA

AMEMBASSY MANAGUA

AMEMBASSY GUATEMALA

USLO PEKING

AMEMBASSY QUITO

AMEMBASSY TAIPEI

USCINCSO

GOV PANCANAL

C O N F I D E N T I A L PANAMA 2334

E.O. 11652: GDS

TAGS: ETRD, PN

SUBJECT: BANANAS: PRESENT STATUS GOP/UB NEGOTIATIONS

REF: (A) PANAMA 2256, (B) PANAMA 2024, (C) PANAMA 1762, (D) PANAMA
0708, (E) PANAMA 5891, NOV. 5, 1974, (F) PANAMA 6733, NOV. 22, 1974

1. ECON/COMM COUNSELOR RAN INTO UB RESIDENT REP BOGBY WALKER AT
EXECUTIVE HOTEL APRIL 20. HE APPEARED RELAXED AND REPORTED FOLLOWING:

2. THANKS TO HIS ARRANGEMENTS, GENERAL TORRIJOS' CONFIDANT, GABRIEL
LEWIS, AND TWO GOP OFFICIALS MET WITH UB EXECUTIVES IN US APRIL 16-17
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PAGE 02 PANAMA 02334 221843Z

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THE GENERAL'S PRIVATE JET (REF A) WAS USED. FOLLOWING ASSURANCES BY GUARANTY TRUST AND HANOVER BANKS REGARDING SOLVENCY OVERALL UB OPERATIONS CENTRAL AMERICA AND PANAMA, IT WAS MUTUALLY AGREED THAT SUBJECT NEGOTIATIONS (REF C) BE POSTPONED UNTIL JULY 15. UB HOPEFUL DURING COOL-OFF PERIOD IT WILL BE ABLE TO SELL TORRIJOS GOP PARTNERSHIP IN ITS OPERATIONS IN PANAMA.

3. REGARDING BANANA SHIPMENTS THIS YEAR, DURING FIRST WEEK OF MAY, TEN THOUSAND TONS (ONE TON EQUALS ABOUT FIFTY 40-LB BOXES) AS WELL AS TWO THOUSAND TONS ORANGE CONCENTRATE FROM CITRICOS DE CHIRIQUI (REF E) EXPECTED BE SHIPPED TO YUGOSLAVIA. REPORTEDLY, LATTER MAY DELIVER MILITARY HARDWARE IN EXCHANGE. ALGIERS (REF F) AND PEOPLE'S REPUBLIC OF CHINA (PRC), HAVE PLACED INDIVIDUAL ORDERS FOR TEN THOUSAND TONS FOR SHIPMENT LAST SIX MONTHS OF 1975. AS SOUTHERN MAINLAND CHINA LARGE BANANA PRODUCING AREA, PRC'S PURCHASE CONSIDERED POLITICAL GESTURE FOLLOWING ITS FIRST ECONOMIC AND TRADE EXHIBITION IN PANAMA, APRIL 4-17. (AIRGRAM FOLLOWS SHORTLY). SAID PURCHASE REPORTEDLY AGAINST CASH PAYMENT \$5 MILLION. ON LONG TERM BASIS, PRC INTERESTED IN INTRODUCING PANAMANIAN MARKET INDUSTRIAL AND AGRICULTURAL MACHINERY. GOP STATED ENTERPRICE, PACIFIC BANANA CORP., WILL HANDLE THESE BANANA SHIPMENTS THRU CHARTERING UB OR OTHER VESSELS.

THIS IS PACIFIC'S FIRST UNDERTAKING AND BANANAS WILL BEAR PANAMANIAN TRADEMARK INSTEAD OF UB'S WELL KNOWN BRAND "CHIQUITA."

4. WITH REFERENCE RECENT REPORT OF UB'S SECRET PAYMENT TO HONDURAS (REF A), BLACK (REF D) "BUNGLED WHOLE DEAL" AND HE (WALKER) NEVER GOT ALONG WITH HIM. TORRIJOS STRAIGHTFORWARD, BUT CANNOT VOUCH FOR INTEGRITY HIS ENTOURAGE.

5. COMMENTS: THESE ARE SIZEABLE SHIPMENTS AND WALKER'S STATISTICS HAVE YET TO BE CHECKED OUT. FOLLOWING THE HONDURAS INCIDENT, GOH IS EXPECTED TO BE TOUGHER IN ITS FUTURE DEALINGS WITH UB. IF PACIFIC BANANA SUCCESSFULLY MARKETS BANANAS THIS MAY ENCOURAGE GOP TO BUY OUT UB.

FOR ALGIERS, BELGRADE AND PEKING: ANY INFO ON TRADE BETWEEN YOUR HOST COUNTRIES AND PANAMA WILL BE APPRECIATED.

JORDEN

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Message Attributes

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